

CHAMBER OF COMMERCE  
OF THE  
UNITED STATES OF AMERICA

R. BRUCE JOSTEN  
EXECUTIVE VICE PRESIDENT  
Government Affairs

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WASHINGTON, D.C. 20062-2000  
202/463-5310

June 14, 2005

The Honorable William M. Thomas  
Chairman  
Committee on Ways and Means  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

The House Ways and Means committee is scheduled to consider voting out of committee draft legislation to implement the U.S.-Dominican Republic-Central America Free Trade Agreement (DR-CAFTA). The U.S. Chamber of Commerce — the world's largest business federation, representing more than three million businesses of every size, sector and region — strongly supports this landmark agreement, which will bring tangible commercial benefits to American workers, farmers, and companies.

DR-CAFTA will create the largest new FTA market in over a decade. Americans already export more than \$15.7 billion each year in U.S. products to Central America and the Dominican Republic — more than we sell to India, Indonesia, and Russia combined.

Best of all, this agreement will provide a level playing field for American workers and farmers, ensuring that we get the full benefit of trade with this dynamic market. More than 20 years ago, the United States unilaterally opened its market to these six countries, and nearly everything we import from them enters our market duty free. On the other hand, when American workers and farmers sell their goods to Central America, we face average tariffs in the 7-11% range (and up).

DR-CAFTA will correct this unfair trade imbalance by eliminating tariffs on 80% of U.S. manufactured goods and 50% of U.S. agricultural exports immediately while phasing out most remaining tariffs over a few years. In fact, a Chamber study covering 15 states found that DR-CAFTA will create 25,000 new jobs and \$4 billion in new sales in its first year.

But the case for DR-CAFTA goes beyond business — and beyond trade. The last time Central America loomed on the agenda in Washington was during the civil wars of the 1980s. Today, these are democracies and free market economies. Passing DR-CAFTA will help Central America build on the progress of the past 20 years.

Those who oppose the agreement have tried to sidetrack the debate away from the facts. The passage of DR-CAFTA means only good things for the American economy and the American worker. We urge you to pass the agreement as negotiated and oppose any amendments that would undermine or nullify provisions of the agreement as it was negotiated under Trade Promotion Authority requirements.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Bruce Josten", written in a cursive style.

R. Bruce Josten